

Agenda Date: 6/5/02 Agenda Item: 3D

STATE OF NEW JERSEY

Board of Public Utilities Two Gateway Center Newark, NJ 07102 www.bpu.state.nj.us

CABLE TELEVISION

IN THE MATTER OF THE PETITION OF CABLEVISION OF OAKLAND, LLC. FOR PENEWAL OF A CERTIFICATE OF APPROVAL TO CONTINUE TO OPERATE AND MAINTAIN A CABLE TELEVISION SYSTEM IN THE BOROUGH OF WALDWICK, COUNTY OF BERGEN, STATE OF NEW JERSEY

DOCKET NO. CE02030161

Schenck, Price, Smith & King, Morristown, New Jersey, by James Eric Andrews, Esq., for the Petitioner.

Borough Clerk, Borough of Waldwick, New Jersey, by Paula M. Jaegge, for the Borough.

BY THE BOARD1:

On May 23, 1979, the Board granted Micro-Cable Communications Corp. d/b/a UA-Columbia Cablevision of New Jersey ("UA-Columbia") a Certificate of Approval, in Docket No. 794C-6455, for the construction, operation and maintenance of a cable television system for the Borough of Waldwick ("Borough"). On August 23, 1990, the Board granted UA-Columbia an Automatic Renewal Certificate of Approval for the Borough in Docket No. CE89070625. Subsequently, UA-Columbia underwent internal restructuring and was doing business as United Artists Cable of New Jersey ("United Artists"). In Docket No. CO92080822, United Artists informed the Board that it would do business as TCI of Northern New Jersey ("TCINNJ"). On November 16, 1992, the Board approved the petition and recognized the name change. TCINNJ underwent further restructuring and informed the Board that it would no longer use the name Micro-Cable Communications Corp. and would now use the corporate name of TCI of Northern New Jersey, Inc. ("TCINNJ, Inc.").

_

¹ Commissioner Carol J. Murphy did not participate in the deliberations or vote on this matter.

On December 17, 1997, the Board approved the transfer of the Certificate of Approval for the Borough from TCINNJ, Inc. to Cablevision of Oakland, Inc. ("Cablevision"), in Docket No. CF97090674. On January 25, 2002, Cablevision informed the Board that, as part of an internal reorganization approved by the Board on January 3, 2002, in Docket No. CO00030182, it would now be known as Cablevision of Oakland, LLC ("Petitioner"). Although the Petitioner's Certificate expired on May 23, 1999, it is authorized to continue to provide cable service to the Borough pursuant to N.J.S.A. 48:5A-25.

The Petitioner filed an application for the renewal of its municipal consent with the Borough on August 25, 1998, pursuant to N.J.S.A. 48:5A-23 and N.J.A.C. 14:18-13. The Borough, after public hearing, adopted a municipal ordinance granting renewal consent on July 27, 2000. By letter dated September 12, 2000, the Petitioner requested the Borough to amend its ordinance to confirm the Petitioner's right to seek modifications to the ordinance in the case of significant competition in the Borough in return for additional capital contributions for support of the Borough's access channel as well as other concessions. On December 18, 2001, the Borough adopted an amendment to its July 27, 2000 ordinance, as requested. On February 11, 2002, the Petitioner formally accepted the terms and conditions of the ordinance, as amended, in accordance with N.J.S.A. 48:5A-24.

On March 12, 2002, pursuant to N.J.S.A. 48:5A-16, the Petitioner filed with the Board for a renewal of its Certificate of Approval for the Borough. The Board has reviewed the application for municipal consent, the petition for a Renewal Certificate of Approval and the municipal consent ordinance and amended municipal consent ordinance. Based upon this review and the recommendation of the Office of Cable Television, the Board HEREBY FINDS the following:

- 1. The Petitioner possesses the requisite legal, character, financial and technical qualifications for the awarding of a Renewal Certificate of Approval. Further, the Borough reviewed these qualifications in conjunction with the municipal consent process. See N.J.S.A. 48:5A-22 to 29 and N.J.A.C. 14:18-13.
- 2. The design and technical specifications of the system shall ensure that the Petitioner provides safe, adequate and proper service.
- 3. The Petitioner has represented that all previously required construction within the franchise territory is complete.
- 4. The franchise period as stated in the ordinance is ten years from the date of issuance of this Certificate. The Board finds this period to be of reasonable duration.
- 5. The Borough has reserved the right to review the performance of the Petitioner with regard to the ordinance on an annual basis. If the Borough determines that the Petitioner has failed to substantially comply with the material terms and conditions of the ordinance, the Borough shall provide written notice to the Petitioner of such alleged instances of non-compliance and shall grant the Petitioner 90 days to cure such deficiency. The Borough may petition the Board for appropriate administrative action, including revocation of the franchise or reduction of the franchise term, only after the 90-day opportunity to cure has passed and the deficiency has not been cured.

- 6. The Petitioner's rates shall be regulated and tariffs shall be filed for all services, in accordance with the rules and regulations of the Federal Communications Commission, the Board and the Office of Cable Television. The Petitioner shall maintain informational tariffs for unregulated service rates and promptly file any revisions thereto.
- 7. Pursuant to N.J.S.A. 48:5A-26(a), the ordinance specifies a complaint officer to receive and act upon complaints filed by subscribers in the Borough. In this case, it is the Borough Administrator. All complaints shall be received and processed in accordance with N.J.A.C. 14:17-6.5.
- 8. The Petitioner shall maintain a local business office or agent for the purpose of receiving, investigating and resolving complaints. The current local office is located at 40 Potash Road in the Borough of Oakland, New Jersey.
- 9. The franchise fee to be paid to the Borough is specified to be 2% of the Petitioner's gross revenues from all recurring charges in the nature of subscription fees paid by subscribers for its cable television reception service in the Borough. Additional regulatory fees shall be paid to the State in an amount not to exceed 2% of Petitioner's gross operating revenues derived from intrastate operations. The Board finds these fees to be reasonable.
- 10. The Petitioner shall install cable in all residences in the Borough at tariffed rates for standard and non-standard installation. Commercial establishments shall be constructed in accordance with the Petitioner's commercial line extension policy attached to this Certificate as Appendix "I".
- 11. The ordinance requires the Petitioner to complete a rebuild of the Borough to a system capable of providing a minimum of 80 channels of programming, by December 31, 2003. The Petitioner has confirmed that the rebuild has been completed.
- 12. The Petitioner shall provide public, educational and governmental ("PEG") access channels and facilities in accordance with its renewal application and the ordinance. Specifically, the Petitioner shall provide one designated channel to the Borough for non-commercial PEG access usage and shall continue to allow the Borough to cablecast from two locations in the Borough, currently the municipal building and the high school. Technical support shall include telephone support for transmittal problems on a 24 hour a day basis. Technical field support for PEG access shall be provided between 8:00 a.m. and 12:00 midnight on a reasonable basis, or as soon as technicians are available.
- 13. The Petitioner shall provide the Borough with a capital contribution in the amount of \$54,000.00 for cable-related purposes as follows: during the first year following issuance of this Certificate, a one-time grant of \$36,000.00; and during the fourth year following issuance of this Certificate, a one-time grant of \$18,000.00.
- 14. Upon request of the Borough, and at the next available opportunity, the Petitioner shall provide training in all phases of video production for residents of the Borough at the Petitioner's studio, at no cost to the Borough.

- 15. The Petitioner shall maintain a studio in its Oakland System that shall be available for use by Borough residents free of charge during regular business hours.
- 16. The Petitioner shall provide the standard installation and monthly "family cable" service, free of charge, to all municipal buildings, including: a) the new municipal administration building; b) the public library; c) all public and private schools; and d) WPi-TV facilities.
- 17. When high-speed Internet access via cable modem becomes commercially available to residents in the Borough, the Petitioner shall provide, free of charge, one high-speed cable modem and monthly Internet access service, including standard installation, to each State licensed public and private school and the public library in the Borough.
- 18. The Petitioner shall provide one high-speed cable modem and monthly Internet access service, including standard installation, to the Borough Hall. The Borough shall be permitted to network up to three additional personal computer terminals.
- 19. At such time as the Petitioner implements a senior citizen's discount in its Oakland system, such program and all its terms shall be available to qualified senior citizens of the Borough, who meet the income and residency requirements of the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program.

Based upon these findings, the Board <u>HEREBY CONCLUDES</u>, pursuant to <u>N.J.S.A.</u> 48:5A-17(a) and 28(c), that the Petitioner has sufficient financial and technical capacity and meets the legal, character and other qualifications necessary to construct, maintain and operate the necessary installations, lines and equipment and is capable of providing the proposed service in a safe, adequate and proper manner.

Therefore, the Petitioner is <u>HEREBY ISSUED</u> this Renewal Certificate of Approval as evidence of Petitioner's authority to construct and operate a cable television system within the entirety of the Borough.

This Renewal Certificate is subject to all applicable State and federal laws, the rules and regulations of the Office of Cable Television, and any such lawful terms, conditions and limitations as currently exist or may hereafter be attached to the exercise of the privileges granted herein.

The Petitioner shall adhere to the operating standards set forth by the Federal Communications Commission's rules and regulations, 47 <u>C.F.R.</u> Section 76.1 <u>et seq.</u> Any modifications to the provisions thereof shall be incorporated into this Certificate. Additionally and more specifically, the Petitioner shall adhere to the technical standards of 47 <u>C.F.R.</u> Part 76, Subpart K.

Failure to comply with all applicable laws, rules, regulations and orders of the Board or Office of Cable Television and/or the terms, conditions and limitations set forth herein may constitute sufficient grounds for the suspension or revocation of this Certificate.

This Renewal Certificate is issued on the representation that the statements contained in the Petitioner's applications are true, and the undertakings therein contained shall be adhered to and enforceable unless specific waiver is granted by the Office of Cable Television pursuant to the authority contained in N.J.S.A. 48:5A-1 et seq.

This Certificate shall expire ten years from the date of its issuance.

DATED: June 10, 2002 BOARD OF PUBLIC UTILITIES

BY:

(signed)

JEANNE M. FOX PRESIDENT

(signed)

FREDERICK F. BUTLER

COMMISSIONER

(signed)

CONNIE O. HUGHES COMMISSIONER

ATTEST:

(signed)

KRISTI IZZO SECRETARY